## DECLARATION OF DAVID OWENS IN SUPPORT OF COMMENTS OF LOS ANGELES CELLULAR TELEPHONE COMPANY REGARDING CONFIDENTIAL MATERIALS SUBMITTED BY THE STATE OF CALIFORNIA

- I, DAVID OWENS, declare under penalty of perjury that:
- 1. I am employed by the Los Angeles Cellular Telephone Company ("L.A. Cellular") as Traffic Engineer. I have held this position for more than six years.
- 2. I have reviewed the contents of Note 41 to the Unredacted Version of the Petition of the People of the State of California [etc.] as revised on February 1, 1995 ("Petition"). I have also reviewed the contents of Appendix M to the Petition, as provided to L.A. Cellular in its unredacted form. The information contained in the Petition and Appendix M, both as to site sectors constructed and as to capacity utilization, appear to be based on responses made by L.A. Cellular to informal data requests by CPUC staff.
- 3. Note 41 cites "discussions with selected industry and other experts" in support of the proposition that sectors may be categorized as "low use", "medium use", or "high use" depending on the ratio of actual peak usage at each site to the maximum designed capacity of the site, with both measures being expressed in erlangs. Among other things, Note 41 and the accompanying text define "under-utilized" sites as those that are less than 90% filled during the busy hour. Only sectors with 90% or higher use are considered to be fully used.
- 4. In my opinion, which I believe agrees with the opinion of most if not all experts, the standards set by Note 41 for "low",

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"medium", and "high" use are entirely unrealistic. Put in other terms, it is impossible for peak use to equal or exceed 90% of maximum designed capacity without an adverse impact on service quality. For example, a sector with 15 voice channels could not achieve average peak hour usage of 90% (13.5 channels) without encountering call blocking rates significantly in excess of 2%. My own analysis indicates that a site with 15 voice channels should be considered filled where peak hour demand equals or exceeds 8.33 erlangs, i.e., 55% of maximum designed capacity.

- 5. It should be obvious why all available voice channels should not be 100% occupied in a well-designed system. One of these reasons has to do with coverage. Current FCC requirements and customer demands are such that L.A. Cellular has constructed capacity in many rural areas where full occupancy can never be expected.
- 6. Another reason has to do with the extreme variability of peak demand from site to site at different hours of the day. Traffic congestion and local emergencies can result in sudden, unexpected peaks in demand which could not be satisfied unless there are additional voice channels available.
- 7. Finally, and perhaps most important is the impact of accepted queuing theory, which requires traffic engineers to take account of the fact that calling demands are never evenly distributed throughout the peak hour. If unacceptable blocking levels are to be avoided, there must always be one or more vacant

voice channels in each sector at any given time. Indeed, as noted above, L.A. Cellular believes that unacceptable congestion will arise if average peak hour occupancy exceeds 55% of available voice channels.

- 8. For all of the above reasons, the capacity utilization figures provided for L.A. Cellular in 1993 do not show under-utilization. On the contrary, with of our sectors experiencing peak occupancy of more than 90%, the fact is that L.A. Cellular during 1993 experienced excess demand, and, in many instances, undesirably high blocking rates.
- 9. The above is true to the best of my knowledge, information and belief, and if called as a witness I would so testify.

DAVID OWENS

DATE: FEBRUARY 23, 1995

Note: Signed original included with submission of Confidential Information.

Redacted

## DECLARATION OF DAVID STEVENS IN SUPPORT OF COMMENTS OF LOS ANGELES CELLULAR TELEPHONE COMPANY REGARDING CONFIDENTIAL MATERIALS SUBMITTED BY THE STATE OF CALIFORNIA

- I, DAVID STEVENS, declare under penalty of perjury that:
- 1. I am the acting General Manager of the Los Angeles Cellular Telephone Company ("L.A. Cellular"). I have also served as Vice President-Marketing for L.A. Cellular, and as such participated in obtaining advice from relating to possible L.A. Cellular marketing strategies
- 2. The provided by the State of California to counsel for L.A. Cellular, and referred to at page 45 of the Unredacted Version of the Petition filed by California in PR File 94-105 is

3.

4. I declare under penalty of perjury that the above is true to the best of my knowledge, information and belief, and if called as a witness I would so testify.

DAVID STEVENS

DATE: FEBRUARY 23, 1995

## **CERTIFICATE OF SERVICE**

I, Tracey DeVaux, do hereby certify that true copies of the foregoing "Application for Review of the Second Confidentiality Order" were sent this 24th day of February, 1995, by first-class United States mail, postage prepaid, to the following:

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